

Bill No: HB 560 – Discrimination in Housing – Reentry into Society Status

Committee: Environment & Transportation

Date: 2/9/2021

Position: Oppose

The Apartment and Office Building Association of Metropolitan Washington (AOBA) opposes HB 560. AOBA's members own or manage more than 23 million square feet of commercial office space and 133,000 apartment rental units in Montgomery and Prince George's Counties.

HB 560 would add previous incarceration as a protected class in the state housing discrimination laws. The bill would make it a discriminatory housing practice to refuse to sell, rent or lend to an individual in a residential real estate transaction based on having completed a court-ordered sentence of imprisonment.

The bill does not alter existing law that a dwelling need not be made available to an individual whose tenancy (1) Would constitute a direct threat to the health or safety of other individuals; (2) Would result in substantial physical damage to the property of others; or (3) Was for an individual who had committed specified offenses for manufacturing or distributing drugs.

We believe that the bill reflects a misunderstanding of how rental housing providers use criminal history records in evaluating potential tenants. Many AOBA members only run a prospective tenant through the Multi-state Sex Offender (MSSO) Registry, as such they would never know if a resident was formerly incarcerated unless they have committed a sex offense. Members that perform more robust criminal background checks do not have a blanket rejection of an applicant based on previous incarceration. Rather, criminal background checks are individualized assessments performed by 3rd party companies, using agreed upon standards based on criminal convictions related to *specific crimes* that pose a specific danger to the community and that have occurred within a set period of time. For instance, AOBA members do not screen for simple possession of a controlled substance or loitering but are vigilant about sex crimes and acts of violence. AOBA members have acknowledged that there is racial bias and discrimination in incarceration and have reworked their screening practices to ensure that in all ways possible they are allowing people a second chance at life after serving their time for crimes. Provided those

crimes do not pose a serious threat to the apartment community members are charged with protecting.

This bill would create confusion by providing protected class status for previously incarcerated individuals, while continuing the expectation that our members should reject tenancy for individuals who pose a threat to health, safety or property. Thus the bill creates potential liability for a rental housing provider any time a previously-incarcerated individual's rental application was rejected for any reason, which would be addressed by the Maryland Commission on Civil Rights, the courts and the threat of fines or imprisonment.

The General Assembly touched on this issue with the passing of the <u>Second Chance Act in 2015</u>, by expanding expungement and shielding laws to ensure that minor convictions would not be a bar to employment or housing. In contrast, this statewide bill would increase liability for rental property owners and risk for tenants. If the Committee decides to study this issue further, we would be pleased to cooperate.

For these reasons AOBA urges an unfavorable report on HB 560.

For further information contact Erin Bradley, AOBA Vice President of Government Affairs, at 301-904-0814 or ebradley@aoba-metro.org.